

# 2013 DRAFTING REQUEST

## Bill

Received: 12/14/2012 Received By: mshovers  
 Wanted: As time permits Same as LRB:  
 For: Jim Ott (608) 266-0486 By/Representing: Ginger  
 May Contact: Drafter: mshovers  
 Subject: Tax, Individual - miscellaneous Addl. Drafters:  
 Extra Copies:

Submit via email: YES  
 Requester's email: Rep.OttJ@legis.wisconsin.gov  
 Carbon copy (CC) to:

## Pre Topic:

No specific pre topic given

## Topic:

Federalize the capital loss limit

## Instructions:

See attached. Redraft 2011 AB 225 (LRB -0736/2)

## Drafting History:

Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	Jacketed	Required
/?	mshovers 12/14/2012	scalvin 1/3/2013					
/1	mshovers 3/5/2013		rschluet 1/4/2013		sbasford 1/4/2013	sbasford 1/21/2013	State Tax
/2		scalvin 3/5/2013	phenry 3/6/2013		sbasford 3/6/2013	sbasford 3/6/2013	State Tax

FE Sent For:

<END>

At Intro.

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*Jacket  
re-nested  
3/5*

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/? mshovers

11 sac

11 sac

01/03/2013

01/03/13

9  
1413

11 MES 12/14/12

FE Sent For:

<END>

**Shovers, Marc**

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**From:** Kreye, Joseph  
**Sent:** Friday, December 07, 2012 1:39 PM  
**To:** Shovers, Marc  
**Subject:** Request from Rep. Jim Ott

Mr. Shovers,

Have you received a request from Jim Ott to redraft 2011 AB 225, federalizing the treatment of capital losses? If not, he'd like that.

Joe

**Joseph Kreye**  
**Senior Legislative Attorney**  
Legislative Reference Bureau  
608 266-2263



Jan 8 (cmh)  
State of Wisconsin  
2011 - 2012 LEGISLATURE

0547/1  
RMXR



LRB-073672  
MES:ld:md  
sec

2013 ~~2011~~ ASSEMBLY BILL ~~225~~

D/NOTE

August 25, 2011 - Introduced by Representatives J. OTT, ZIEGELBAUER, SPANBAUER, JACQUE and LEMAHIEU, cosponsored by Senators KEDZIE, GALLOWAY, GROTHMAN, SCHULTZ and LASEE. Referred to Committee on Jobs, Economy and Small Business.

gen

1 AN ACT *to renumber and amend* 71.05 (10) (c); and *to create* 71.05 (10) (c) 2.  
2 of the statutes; **relating to:** federalizing the treatment of capital losses.

***Analysis by the Legislative Reference Bureau***

Under current law, the maximum amount of a capital loss that may be deducted from income each year is \$500; the federal limit is \$3,000.

For taxable years beginning on January 1, ~~2012~~ <sup>2013</sup>, this bill federalizes the treatment of capital losses by eliminating the \$500 annual limit on capital loss deductions.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

For further information see the **state** fiscal estimate, which will be printed as an appendix to this bill.

***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

3 SECTION 1. 71.05 (10) (c) of the statutes is renumbered 71.05 (10) (c) 1. and  
4 amended to read:

5 71.05 (10) (c) 1. The amount required so that the net capital loss, after netting  
6 capital gains and capital losses to arrive at total capital gain or loss, is offset against

## ASSEMBLY BILL 225

## SECTION 1

1 ordinary income only to the extent of \$500. Losses in excess of \$500 shall be carried  
2 forward to the next taxable year and offset against ordinary income up to the limit  
3 under this ~~paragraph~~ subdivision. Losses shall be used in the order in which they  
4 accrue. This subdivision does not apply to any taxable year that begins after  
5 December 31, ~~2011~~ 2012

6 SECTION 2. 71.05 (10) (c) 2. of the statutes is created to read:

7 71.05 (10) (c) 2. Any Wisconsin loss carry-forwards that exist as of December  
8 31, ~~2011~~ 2012, shall be allowed as provided under section 1211 (b) of the Internal Revenue  
9 Code.

10 (END)

D-note

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

0847  
LRB-0730/1dn

MES:101

sac

~~December 20, 2010~~ January 3, 2013

Representative Ott:

If this bill is not enacted by approximately July 31, ~~2011~~ <sup>2013</sup>, the dates in the bill will have to be advanced by one year.

Marc E. Shovers  
Managing Attorney  
Phone: (608) 266-0129  
E-mail: marc.shovers@legis.wisconsin.gov



**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-0847/1dn  
MES:sac:rs

January 4, 2013

Representative Ott:

If this bill is not enacted by approximately July 31, 2013, the dates in the bill will have to be advanced by one year.

Marc E. Shovers  
Managing Attorney  
Phone: (608) 266-0129  
E-mail: [marc.shovers@legis.wisconsin.gov](mailto:marc.shovers@legis.wisconsin.gov)

**Basford, Sarah**

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**From:** Mueller, Virginia  
**Sent:** Monday, January 21, 2013 3:23 PM  
**To:** LRB.Legal  
**Subject:** Draft Review: LRB -0847/1 Topic: Federalize the capital loss limit

Please Jacket LRB -0847/1 for the ASSEMBLY.

## Shovers, Marc

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**From:** Wheaton, Doug  
**Sent:** Tuesday, March 05, 2013 11:21 AM  
**To:** Shovers, Marc  
**Subject:** RE: LRB -1176

Hi Marc,

Yes, that sounds consistent with what both of our respective offices would like to do.

Just to be on the safe side, please note the bill would be for Rep. Jim Ott (as opposed to Al Ott).

Thank you,

Doug

Doug Wheaton  
Policy Advisor  
**Office of Senator Neal Kedzie**  
Wisconsin's 11<sup>th</sup> Senate District  
(608) 266-2635

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**From:** Shovers, Marc  
**Sent:** Tuesday, March 05, 2013 11:14 AM  
**To:** Wheaton, Doug  
**Subject:** LRB -1176

Hi Doug:

I got your message. It seems like the simplest thing to do would be to redraft Rep. Ott's bill (LRB -0847/1) and change the initial applicability date to 1/1/14, as is the case in Sen. Kedzie's bill (LRB -1176/1). Is that OK with everyone? Thanks.

Marc

Marc Shovers  
Managing Attorney  
Legislative Reference Bureau  
608-266-0129  
[marc.shovers@legis.wisconsin.gov](mailto:marc.shovers@legis.wisconsin.gov)



State of Wisconsin  
2013 - 2014 LEGISLATURE



LRB-0847/2

MES:sac:rs

PMR

2013 BILL

*[Handwritten signature]*

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